

30 March 2021

Dear Ministers

**Murray-Darling Basin Water Compliance Compact Assurance Report 2020
Advice from the Independent Assurance Committee**

This is the third annual report to the Murray-Darling Ministerial Council from the Independent Assurance Committee (IAC), providing critical advice on Compact performance.

The report provided by the Murray-Darling Basin Authority is a fair assessment of the progress of the parties to the Compact. The Executive Summary notes the significant progress made in meeting commitments made in the Compact. It also points out several concerns – in particular, Queensland’s slow progress on its metering policy and the ACT’s minimal reporting on performance.

At a more strategic level, the Murray-Darling Basin Authority (MDBA) summarises two broad shortcomings where the Compact has not achieved what was required. The first is a Basin-wide consistency in the application of metering policies and frameworks. Put simply, in some jurisdictions metering is inadequate and there appears to be little commitment to remedy this. The second shortcoming is the absence of agreed standards or benchmarks for compliance practice. Without some agreed standard it is not possible to say whether a jurisdiction’s performance is adequate or not.

The IAC came to the same conclusion when it provided advice to the MDBA in October 2020 on the review of the Compact, and this is consistent with our advice to you in December last year. The Compact review will provide the opportunity for the Ministerial Council to consider next steps and given the IAC’s close association with the Compact you might be interested in our concluding advice to the MDBA:

Transparency and accountability are the crucial factors if the public is to have confidence in how the Basin water is managed. The Compact has achieved moderate success but more needs to be done on a few important matters. This is probably best done as a much more streamlined and more accountable agreement, perhaps involving the new Inspector-General of Water Compliance.

I trust our independent advice is helpful in your deliberations.

Yours sincerely

Allan Holmes
Chair of the Independent Advisory Committee on Basin Compliance

The Independent Assurance Committee was established under the Water Act 2007(Cth) to provide expert advice on the design, implementation, and adequacy of the MDBA Basin Plan Compliance. The IAC has a formal role in providing assurance on Compact performance reporting.